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LISTING STATEMENT No. 1997

LISTED JULY 10th, 1958
125,000 common shares without par value
Ticker abbreviation MHS
Post section 11.

TORONTO STOCK EXCHANGE

LISTING STATEMENT

AUG 27 1958

MAHER SHOES LIMITED

An operating Company incorporated under the laws of the Province of Ontario by Letters Patent dated January 6th, 1912.

SHARES WITHOUT PAR VALUE
(transferable in Toronto)

CAPITAL SECURITIES AND FUNDED DEBT AS AT MAY 30th, 1958

FUNDED DEBT:

	AUTHORIZED	ISSUED AND OUTSTANDING	TO BE LISTED
Real Estate Mortgages.....		\$83,600.00	Nil

CAPITAL SECURITIES:

5% non-voting, non-cumulative redeemable preference shares of the par value of \$100.00 each.....	15,000	2,000	Nil
Common shares without par value.....	200,000	125,000	125,000

1. APPLICATION

MAHER SHOES LIMITED (herein sometimes called the "Company") hereby makes application for listing on the Toronto Stock Exchange of 125,000 shares without par value in the capital stock of the Company, all of which are issued and outstanding as fully paid and non-assessable.

2. REFERENCE TO PROSPECTUS

Reference is made to the attached prospectus issued by the Company under date of May 30th, 1958 in respect to the offering of 50,000 common shares without par value, in the capital of the Company, a copy of which prospectus is hereby incorporated herein and made part hereof.

3. OPINION OF COUNSEL

Messrs. Kilmer, Rumball, Gordon, Davis and Smith, Suite 415, 18 Toronto Street, Toronto, Ontario, Counsel for the Company, are filing in support of this application an opinion stating, among other things that the Company is duly incorporated and is a valid and subsisting corporation, in good standing under The Corporations Act, 1953, Ontario, and Amendments thereto, and that the authorized capital of the Company consists of 15,000, 5% non-voting, non-cumulative redeemable preference shares of the par value of \$100.00 each and 200,000 common shares without par value, of which 125,000 have been validly issued and are outstanding as fully paid and non-assessable.

4. LISTING ON OTHER STOCK EXCHANGES

None of the securities of the Company are listed on any other stock exchange.

5. STATUS UNDER SECURITIES ACTS

The Offering of fifty thousand (50,000) common shares without par value in the capital of the Company, referred to in paragraph 2. hereof, and in the Prospectus attached hereto, was qualified for sale to the public in the Provinces of Ontario, British Columbia, Alberta, Saskatchewan, Manitoba, Quebec, New Brunswick and Nova Scotia.

6. FISCAL YEAR

The fiscal year of the Company ends on January 31st in each year.

7. ANNUAL MEETING

The annual meeting of shareholders shall be held at such place on such day in each year as the Board of Directors may determine and in any event not more than fifteen months after the holding of the last preceding meeting. The last Annual Meeting was held on the 26th day of May, 1958.

8. **HEAD OFFICE**
The head office of the Company is at 144 Front Street, West, Toronto, Ontario.

9. **TRANSFER AGENT AND REGISTRAR**
The Canada Trust Company at its office in Toronto, is the Transfer Agent and Registrar for the common shares of the Company.

10. **TRANSFER FEE**
No fee is charged on the transfer of the common shares without par value other than customary stock transfer taxes.

11. **AUDITORS**
The auditors of the Company are Messrs. Clarkson, Gordon & Co., Chartered Accountants, 15 Wellington Street, West, Toronto.

12. **DIRECTORS**

James Patterson Maher	Executive	50 Ardworld Gate, Toronto, Ontario
Lane Reginald Chester	Executive	88 Jackson Avenue, Toronto, Ontario
Jack Boyd Coutts	Executive	252 Lawrence Avenue, East, Toronto, Ontario
Dennis Archer Mason	Executive	22 Castlewood Road, Toronto, Ontario
William Peat	Executive	6 Berkindale Drive, Toronto, Ontario

OFFICERS

James Patterson Maher	President	50 Ardworld Gate, Toronto, Ontario
Lane Reginald Chester	Vice-President and Treasurer	88 Jackson Avenue, Toronto, Ontario
Dennis Archer Mason	Vice-President and Secretary	22 Castlewood Road, Toronto, Ontario
Jack Boyd Coutts	Purchasing Manager	252 Lawrence Ave. East, Toronto, Ontario
William Peat	Chief Supervisor of Stores	6 Berkindale Drive, Toronto, Ontario
George Francis Travelle	Comptroller	7 Robin Hood Road, Toronto, Ontario
John Roberts Lewis	Production Manager	126 Pinewood Avenue, Toronto, Ontario
Harry Green Young	Sales Manager	643 Lakeshore Road, Mimico, Ontario

CERTIFICATE
Pursuant to a resolution duly passed by its Board of Directors, the applicant Company hereby makes application for listing of the above mentioned securities on the Toronto Stock Exchange, and the undersigned officers thereof hereby certify that the statements and representations made in this application and in the documents submitted in support thereof are true and correct.



MAHER SHOES LIMITED

"J. P. MAHER", *President.*
"L. R. CHESTER", *Treasurer.*

STATEMENT SHOWING NUMBER OF SHAREHOLDERS
Distribution of Common Stock as of July 3rd, 1958

Number		Shares	
396	Holders of 1 - 100 share lots.....	20,682	
34	" " 101 - 200 " "	5,850	
8	" " 201 - 300 " "	2,420	
1	" " 301 - 400 " "	400	
10	" " 401 - 500 " "	5,000	
1	" " 501 - 1000 " "	1,000	
6	" " 1001 - up " "	89,648	
456 Stockholders		Total Shares.....	125,000

The shares hereby offered for sale are being purchased from a shareholder of the Company, and no proceeds of sale will be received by the Company.

Outstanding Shares

50,000 Common Shares

(without par value)

Maher Shoes Limited

(Incorporated under the laws of the Province of Ontario)

The Common Shares of the Company have been approved for listing on The Toronto Stock Exchange, subject to the filing of documents and evidence of satisfactory distribution.

Transfer Agent and Registrar
The Canada Trust Company, Toronto.

Price: \$16 per share

We, as principals, offer these shares subject to the approval of all legal matters by Messrs. Kilmer, Rumball, Gordon, Davis & Smith, Toronto, on behalf of the selling shareholder and by Messrs. White, Bristol, Beck & Phipps, Toronto, on our behalf.

Subscriptions will be received subject to rejection or allotment in whole or in part and the right is reserved to close the subscription books without notice. It is expected that interim share certificates, exchangeable for definitive share certificates when available, will be available for delivery on or about June 10, 1958.

Mr. James P. Maher, President of Maher Shoes Limited, has supplied the following information:

The Company

Business and Operations

Maher Shoes Limited (hereinafter sometimes referred to as "Maher's" or the "Company") was incorporated under the laws of the Province of Ontario in 1912 under the name of Reliance Shoe Company Limited to incorporate a shoe manufacturing business which had commenced operations in Toronto the previous year. Maher's is one of the largest chains of retail shoe stores in Canada. Maher's is also a wholesaler of footwear. In addition, Maher's manufactures shoes and workboots for sale in its stores and to others across Canada. The name of the Company was changed to Maher Shoes Limited in 1957 to reflect the name by which the Company is known to the public.

Maher's operates 81 retail shoe stores serving most of the major cities and towns in Ontario, several of which are located in modern shopping plazas. The others are located in attractive premises in busy shopping areas. Maher's is currently negotiating store leases in 4 shopping plazas now under construction. Maher's owns 18 of the stores it operates and the others are held under leases from various lessors.

Stores operated by Maher's are located as follows: Toronto area, 29; Hamilton, 4; and one store in Kingston, Port Hope, Perth, Newmarket, Chatham, St. Thomas, Orangeville, Paris, Woodstock, St. Mary's, Guelph, Kitchener, Stratford, Brampton, Peterborough, Bracebridge, Smith's Falls, Picton, Owen Sound, Collingwood, Orillia, North Bay, Bowmanville, Welland, Aurora, Pembroke, Sarnia, Trenton, Dundas, Huntsville, Campbellford, St. Catharines, Penetanguishene, Dunnville, Renfrew, Georgetown, London, Barrie, Goderich, Simcoe, Cobourg, Listowel, Kirkland Lake, Belleville, Grimsby, Oshawa, Wallaceburg and Windsor.

The head office, warehouse and manufacturing plant of Maher's are located at the corner of University Avenue and Front Street in Toronto and are occupied under lease.

Merchandising

The merchandising activities of Maher's are concentrated in the popular price field and are directed towards serving the whole family. Maher's merchandises extensive lines of men's, women's and children's footwear consisting of shoes, boots, rubbers, overshoes, slippers and other footwear. In all, Maher's merchandises about 1,200 lines of footwear each season as well as women's handbags, purses and hosiery in the accessories field.

Maher's keeps a close check on the inventory in each of its stores and if a line is not moving quickly in a particular store steps are taken immediately to correct the situation which results in Maher's having little, if any, slow moving merchandise.

Purchasing

Maher's is currently purchasing its footwear from over 100 suppliers. This wide range of suppliers gives Maher's flexibility in choosing its lines and enables it to purchase high-styled, well-fitting shoes. The large sales volume of Maher's enables it to place large orders with suppliers and obtain its footwear at favourable prices.

Wholesaling

Maher's is a wholesaler of many lines of footwear, which are sold by its salesmen to independent retail shoe stores, principally in Ontario. Maher's has been engaged in wholesaling operations since 1915.

Manufacturing

Maher's manufactures fine shoes, workboots, camp shoes and casual shoes for men and boys at its Toronto plant. Approximately 40% of the footwear manufactured by Maher's is sold through its retail stores and the remainder is sold to department stores, shoe chains and independent retail shoe stores across Canada.

Footwear manufactured by Maher's and sold through its own stores comprises a very small percentage of the total sales of its retail stores.

Record of Growth

The substantial growth of the Company in the last 25 years is shown by the data in the following table:

<u>Fiscal year ended in</u>	<u>Number of retail stores</u>	<u>Net profit after taxes</u>
1934	38	\$ 4,000 ⁽¹⁾
1938	51	22,000
1942	56	80,000
1946	57	80,000
1950	63	180,000
1954	74	161,000
1955	74	165,000
1956	78	242,000
1957	80	260,000
1958	81	321,000

(1) 8 months

Management

The President of Maher's has been associated with the business since its inception and has been its principal owner since 1933. The Vice-President and Treasurer has served with Maher's since 1933 and is active in all aspects of the business.

The Purchasing Manager, and the Vice-President and Secretary, have been employed by Maher's for 13 years and 7 years respectively and are currently responsible for all purchasing of footwear and accessories. Both also act as supervisors of stores.

The Chief Supervisor of Stores has been employed by Maher's for 26 years. Maher's has nine other supervisors of stores who supervise the operations of from 5 to 9 stores each and also act as store managers.

Store managers of Maher's are carefully selected and constitute a very important part of the organization.

Employees

Maher's has over 500 employees of whom approximately 400 are employed in its retail stores, including part-time staff, about 75 in its manufacturing plant and about 30 in its head office and warehouse.

Maher's provides to eligible employees, on a contributory basis, sickness benefit, hospitalization, and group insurance plans. Maher's has never experienced a strike in its history and enjoys excellent employee relationships.

Current Operations

Sales in the period from February 1 to April 30 in 1958 were 8% higher than in the corresponding period in 1957.

Capitalization

(As at January 31, 1958 after giving effect to the changes set out in the Notes on the accompanying Balance Sheet)

	Authorized	Issued	Outstanding
Funded Debt:			
Mortgages payable maturing at various dates from October 27, 1958 to April 17, 1961 and bearing interest at rates varying from 4½% to 6%....			\$ 83,600
Capital Stock:			
5% Non-voting Non-cumulative Redeemable Preference Shares with a par value of \$100 each.....	\$1,500,000	\$200,000	\$200,000
Common Shares without par value.....	200,000 shares	125,000 shares	125,000 shares

Dividends

The directors have declared a dividend of 30¢ per share on the common shares payable September 10, 1958 to holders of record as of August 10, 1958 and a further dividend of 30¢ per share on the common shares payable on December 10, 1958 to holders of record as of November 10, 1958. The directors have also expressed their intention, subject from time to time to the factors usually considered at the time of the declaration of dividends, to declare and pay cash dividends quarterly on the common shares of at least 30¢ per share.



Auditors' Report

To the Directors of
Maher Shoes Limited:

We have examined the balance sheet of Maher Shoes Limited as at January 31, 1958 and the statements of earnings and earned surplus for the ten years ended on that date. Our examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances.

In our opinion the accompanying balance sheet presents fairly the financial position of the company as at January 31, 1958 and the accompanying statements of earnings and earned surplus present fairly the earnings of Maher Shoes Limited for the ten years ended January 31, 1958 and the transactions through earned surplus for the same period.

Toronto, Canada,
May 30, 1958.

(Signed) Clarkson, Gordon & Co.
Chartered Accountants

Maher Shoes Limited

Statement of Earnings for the ten years ended January 31, 1958

	Years ended January 31		
	<u>1958</u>	<u>1957</u>	<u>1956</u>
Earnings before depreciation and taxes on income.....	\$710,139	\$545,487	\$511,055
Provision for depreciation (including amounts written off improvements to store premises).....	<u>87,362</u>	<u>65,842</u>	<u>61,403</u>
Earnings before taxes on income.....	\$622,777	\$479,645	\$449,652
Taxes on income.....	<u>302,000</u>	<u>219,671</u>	<u>207,193</u>
Net earnings.....	<u><u>\$320,777</u></u>	<u><u>\$259,974</u></u>	<u><u>\$242,459</u></u>

Maher Shoes Limited

Statement of Earnings for the ten years ended January 31, 1958

Years ended January 31						
<u>1955</u>	<u>1954</u>	<u>1953</u>	<u>1952</u>	<u>1951</u>	<u>1950</u>	<u>1949</u>
\$367,550	\$362,660	\$333,704	\$303,147	\$268,771	\$315,132	\$267,552
<u>53,750</u>	<u>51,085</u>	<u>32,173</u>	<u>32,362</u>	<u>31,789</u>	<u>25,849</u>	<u>16,137</u>
\$313,800	\$311,575	\$301,531	\$270,785	\$236,982	\$289,283	\$251,415
<u>148,911</u>	<u>150,233</u>	<u>153,700</u>	<u>147,000</u>	<u>102,500</u>	<u>109,500</u>	<u>88,436</u>
<u><u>\$164,889</u></u>	<u><u>\$161,342</u></u>	<u><u>\$147,831</u></u>	<u><u>\$123,785</u></u>	<u><u>\$134,482</u></u>	<u><u>\$179,783</u></u>	<u><u>\$162,979</u></u>

Maher Shoes Limited
(Incorporated under the laws of Ontario)
Balance Sheet as at January 31, 1958

A S S E T S

Current Assets:

Cash.....		\$ 429,489
Accounts receivable—		
Trade.....	\$ 35,126	
Employees re Canada Savings Bonds subscriptions.....	23,690	
Sundry.....	<u>13,578</u>	72,394
Inventories valued at the lower of cost or market.....		1,183,024
Prepaid expenses.....		<u>35,526</u>
Total Current Assets.....		<u>\$1,720,433</u>

Fixed Assets, at cost:

Buildings.....	\$506,838	
Fixtures and equipment.....	<u>444,689</u>	
	<u>\$951,527</u>	
Less accumulated depreciation.....	<u>364,473</u>	
	<u>\$587,054</u>	
Land.....	<u>564,555</u>	1,151,609

Sundry Assets:

Life insurance—cash surrender value.....	\$ 91,604	
Improvements to store premises less amounts written off.....	<u>189,783</u>	281,387
		<u><u>\$3,153,429</u></u>

Approved on behalf of the Board:

(Signed) J. P. Maher, Director

(Signed) L. R. Chester, Director

Maher Shoes Limited
(Incorporated under the laws of Ontario)
Balance Sheet as at January 31, 1958

L I A B I L I T I E S

Current Liabilities:

Accounts payable and accrued charges.....	\$ 566,394
Income and other taxes payable.....	194,544
Mortgage instalments payable within one year.....	37,600
Due to a shareholder.....	<u>14,006</u>
Total Current Liabilities.....	\$ 812,544

Mortgages payable maturing at various dates from October 27, 1958 to April 17, 1961 and bearing interest at rates varying from 4½% to 6% less \$37,600 shown as a current liability.....	46,000
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Capital Stock and Surplus:

Capital Stock (Notes 1 and 2):

Authorized:

- 5,494 non-voting non-cumulative redeemable 5% preference shares with a par value of \$100 each redeemable at par
- 2,000 common shares of \$100 each

Issued and fully paid:

2,000 5% preference shares.....	\$ 200,000
1,250 common shares.....	<u>125,000</u>
	\$ 325,000

Earned surplus.....	<u>1,969,885</u>
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2,294,885

\$3,153,429

Notes: (1) Under supplementary letters patent dated May 15, 1958 the authorized preference share capital was increased from 5,494 shares to 15,000 shares, the 2,000 authorized common shares with a par value of \$100 each were converted into 200,000 common shares without par value and the 1,250 issued common shares with a par value of \$100 each were converted into 125,000 common shares without par value.

- (2) On May 26, 1958 the following dividends were declared: (a) 5% cash dividend on the outstanding preference shares payable on January 15, 1959, (b) 30¢ cash dividend per share payable on September 10, 1958 on the common shares, (c) 30¢ cash dividend per share payable on December 10, 1958 on the common shares.

Maher Shoes Limited
Statement of Earned Surplus
for the ten years ended January 31, 1958

	Years ended January 31		
	<u>1958</u>	<u>1957</u>	<u>1956</u>
Balance at beginning of year (see Note).....	\$1,179,560	\$1,007,086	\$1,719,336
Add:			
Net earnings for the year.....	320,777	259,974	242,459
Profit on sale of land and building.....	<u>513,298</u>	<u>—</u>	<u>—</u>
	<u>\$2,013,635</u>	<u>\$1,267,060</u>	<u>\$1,961,795</u>
Deduct:			
Distributions made under Section 105 of the Income Tax Act—			
Taxes paid.....	\$ 6,562	\$ 6,562	\$ 136,644
Amount capitalized by the issuance of 5% redeemable preference shares—paid as a stock dividend on the common shares.....	<u>37,188</u>	<u>37,188</u>	<u>774,215</u>
	\$ 43,750	\$ 43,750	\$ 910,859
Cash dividends paid (all on preference shares except for \$100 paid on the common shares in 1956).....	<u>—</u>	<u>43,750</u>	<u>43,850</u>
	<u>\$ 43,750</u>	<u>\$ 87,500</u>	<u>\$ 954,709</u>
Balance at end of year.....	<u><u>\$1,969,885</u></u>	<u><u>\$1,179,560</u></u>	<u><u>\$1,007,086</u></u>

Maher Shoes Limited
Statement of Earned Surplus
for the ten years ended January 31, 1958

Years ended January 31

1955	1954	1953	1952	1951	1950	1949
\$1,561,447	\$1,407,105	\$1,266,274	\$1,149,489	\$1,022,007	\$ 849,224	\$693,245
164,889	161,342	147,831	123,785	134,482	179,783	162,979
—	—	—	—	—	—	—
\$1,726,336	\$1,568,447	\$1,414,105	\$1,273,274	\$1,156,489	\$1,029,007	\$856,224
\$ 7,000	\$ 7,000	\$ 7,000	\$ 7,000	\$ 7,000	\$ 7,000	\$ 7,000
\$ 7,000	\$ 7,000	\$ 7,000	\$ 7,000	\$ 7,000	\$ 7,000	\$ 7,000
\$1,719,336	\$1,561,447	\$1,407,105	\$1,266,274	\$1,149,489	\$1,022,007	\$849,224

Note: The opening surplus balance shown above at \$693,245 includes \$141,830 for adjustments which were reflected in the company's accounts subsequent to February 1, 1948 but which were applicable to periods prior to that date.

Statutory Information

(a) Maher Shoes Limited (hereinafter called the "Company") has its head office at 144 Front Street West, Toronto, Ontario.

(b) The Company was incorporated under the laws of the Province of Ontario by Letters Patent dated May 6, 1912. Supplementary Letters Patent dated July 7, 1922, February 10, 1941, February 25, 1955, September 20, 1957 and May 15, 1958 have been issued to the Company.

(c) The general nature of the business actually transacted by the Company is the merchandising, purchasing, wholesaling and manufacturing of shoes and other types of footwear.

(d) The officers and directors of the Company, and their names in full, present occupations and home addresses are as follows:

Officers

James Patterson Maher.....	President.....	50 Ardworld Gate, Toronto, Ontario
Lane Reginald Chester.....	Vice-President and Treasurer.....	88 Jackson Avenue, Toronto, Ontario
Dennis Archer Mason.....	Vice-President and Secretary.....	22 Castlewood Road, Toronto, Ontario
Jack Boyd Coutts.....	Purchasing Manager.....	252 Lawrence Avenue East, Toronto, Ontario
William Peat.....	Chief Supervisor of Stores.....	6 Berkindale Drive, Toronto, Ontario
George Francis Travelle.....	Comptroller.....	7 Robin Hood Road, Toronto, Ontario
John Roberts Lewis.....	Production Manager.....	126 Pinewood Avenue, Toronto, Ontario
Harry Green Young.....	Sales Manager.....	643 Lakeshore Road, Mimico, Ontario

Directors

James Patterson Maher.....	Executive.....	50 Ardworld Gate, Toronto, Ontario
Lane Reginald Chester.....	Executive.....	88 Jackson Avenue, Toronto, Ontario
Jack Boyd Coutts.....	Executive.....	252 Lawrence Avenue East, Toronto, Ontario
Dennis Archer Mason.....	Executive.....	22 Castlewood Road, Toronto, Ontario
William Peat.....	Executive.....	6 Berkindale Drive, Toronto, Ontario

Auditors

(e) Clarkson, Gordon & Co.....Chartered Accountants.....15 Wellington Street West,
Toronto, Ontario

(f) The registrar and transfer agent for the shares now offered is The Canada Trust Company in Toronto. The Company at its head office acts as its own transfer agent and registrar for its non-voting non-cumulative redeemable 5% preference shares.

(g) The authorized share capital of the Company consists of:

- (i) 15,000 non-voting non-cumulative redeemable 5% preference shares with a par value of \$100 each of which 2,000 have been issued as fully paid and are outstanding;
- (ii) 200,000 common shares without par value of which 125,000 have been issued as fully paid and are outstanding.

(h) A description of the respective voting rights, preferences, rights to dividends, profits or capital of the said preference shares and common shares, including redemption rights, and rights on liquidation or distribution of capital assets, is as follows:

(1) The said preference shares shall confer upon the holders thereof the right to receive, when, as and if declared by the board of directors, a fixed, preferential, non-cumulative dividend at the rate of five per cent (5%) per annum, payable on such date as the board of directors may determine in each year on the amount paid up thereon out of the net or surplus profits of the Company, and if, in any fiscal year, the board of directors, in its discretion, shall not declare the said dividend or any part thereof on the said preference shares for the said year, then the right of the holders of the said preference shares to such dividend or to any undeclared portion thereof shall be extinguished; no dividends shall be declared and paid or set aside for payment on the common shares of the Company in any fiscal year unless and until dividends at the rate aforesaid on the said preference shares for such year shall have been paid or shall have been declared and set aside for such payment;

(2) In the event of any liquidation, dissolution or winding-up of the Company, whether voluntary or involuntary, or any distribution of assets (other than by way of dividends out of profits) the holders of preference shares shall be entitled to repayment of the capital paid up thereon and all dividends declared thereon but remaining at the time unpaid and no more before any amount shall be paid to the holders of common shares of the Company; and the holders of such preference shares shall not be entitled to any further payment out of the assets of the Company nor to participate with the common shareholders on such liquidation, dissolution or winding-up of the Company;

(3) The Company may at any time and from time to time at its option redeem the whole or any part of the preference shares by paying the holders thereof the amount paid up thereon together with all declared but unpaid dividends;

(4) The holders of the said preference shares shall not be entitled to vote at any meeting of the shareholders of the Company; the holders of the preference shares shall, however, be entitled to notice of meetings of shareholders called for the purpose of authorizing the dissolution of the Company or the sale of its undertaking or a substantial part thereof; holders of common shares shall be entitled to one (1) vote for each common share held by them at all meetings of the shareholders of the Company; and

(5) The authorization for an application for the issue of Supplementary Letters Patent to delete or vary any preference, right, condition, restriction, limitation or prohibition attaching to the preference shares or to create preference shares ranking in priority to or on a parity with the preference shares, in addition to the authorization by a special resolution, may be given by at least seventy per cent (70%) of the votes cast at a meeting of the holders of the preference shares duly called for that purpose.

(i) There are no bonds or debentures of the Company outstanding or proposed to be issued.

(j) There is no substantial indebtedness to be created or assumed by the Company which is not shown in the balance sheet of the Company dated January 31, 1958, and forming part of this prospectus.

(k) There are no options outstanding or proposed to be given in respect of any securities of the Company.

(l) The securities offered by this prospectus are 50,000 common shares of the capital stock of the Company, which are being offered to the public at the price and on the terms stated on the face of this prospectus, to which reference is hereby made.

No securities of the Company have been offered for subscription within the two years preceding the date hereof.

(m) (n) (o) The securities hereby offered are being purchased from the principal shareholder of the Company and no proceeds from the sale thereof will be received by the Company.

(p) The Company is not a party to any agreement with an underwriter in respect of the securities offered.

(q) The Company's by-laws contain the following provision as to the remuneration of the directors:

The directors shall be paid such remuneration, if any, as the board may from time to time determine. Any remuneration so payable to a director who is also an officer or employee of the Company or who is counsel or solicitor to the Company or otherwise serves it in a professional capacity shall be in addition to his salary as such officer or to his professional fees as the case may be. In addition the board may by resolution from time to time award special remuneration out of the funds of the Company to any director who performs any special work or service for, or undertakes any special mission on behalf of, the

Company outside the work or services ordinarily required of a director of the Company. The directors shall also be paid such sums in respect of their out-of-pocket expenses incurred in attending board, committee or shareholders' meetings or otherwise in respect of the performance by them of their duties as the board may from time to time determine. No confirmation by the shareholders of any such remuneration or payment shall be required.

(r) No remuneration was paid by the Company during its last financial year ended January 31, 1958 to directors of the Company as such. The aggregate remuneration paid by the Company during such period to officers of the Company as such who individually received remuneration in excess of \$10,000 per annum was \$96,300. No remuneration is estimated to be payable during the current financial year to directors as such. The aggregate remuneration estimated to be payable during such period to officers as such who individually may be entitled to receive remuneration in excess of \$10,000 is \$100,000.

(s) Within the two years preceding the date hereof no amount has been paid or is payable as a commission by the Company for subscribing or agreeing to subscribe or procuring or agreeing to procure subscriptions for any shares in or obligations of the Company.

(t) The Company has been carrying on business for more than one year.

(u) (v) No property has been purchased or acquired by the Company or is proposed to be purchased or acquired, the purchase price of which has been paid within the two years preceding the date hereof or is to be paid in whole or in part in securities of the Company, or the purchase or acquisition of which has not been completed at the date hereof, except transactions entered into in the ordinary course of operations or on the general credit of the Company other than 18 store properties located as follows in Ontario: 1034 Gerrard Street East, 415 Parliament Street, 1470 Dundas Street West, 1254 Bloor Street West, 546 Queen Street West, 980 Kingston Road, Toronto; 823 Lakeshore Road, New Toronto; 101 Wyndham Street, Guelph; 96 King Street West, Kitchener; 10 Wellington Street, Stratford; 8 Beckwith Street, Smith's Falls; 83 Hurontario Street, Collingwood; 134 Main Street East, North Bay; 13 Market Square, Hamilton; 94 Pembroke Street, Pembroke; 169 Christina Street, Sarnia; 1187 Weston Road, Mount Dennis; 279 Front Street, Belleville; and 1 house used as a residence for a store manager and located at 136 Bishop's Court, Sault Ste. Marie, Ontario. The said properties were acquired from James P. Maher, President and a director of the Company, as vendor, as of August 31, 1957, for an aggregate consideration of \$1,071,393 whereof \$89,550 was paid by the assumption of mortgages relating to certain of the properties, \$200,000 was paid by the issue and allotment to the vendor of 2,000 non-voting non-cumulative redeemable 5% preference shares with a par value of \$100 each and \$790,027 was paid in cash after making net adjustments of \$8,184 to reflect prepaid taxes and insurance and accrued mortgage interest. The properties were certified by the Dominion Appraisal Co., Limited under formal date of September 16, 1957 to have a depreciated value of \$1,157,558 from which valuation there was deducted certain deferred improvements valued at \$86,165.

(w) No securities have been issued or agreed to be issued by the Company within the two years preceding the date hereof as fully or partly paid up otherwise than in cash except 743.75 non-voting non-cumulative redeemable 5% preference shares with a par value of \$100 each which were issued as fully paid as a stock dividend and which have since been redeemed and the 2,000 non-voting non-cumulative redeemable 5% preference shares with a par value of \$100 each which were issued as partial consideration for certain properties all as more fully described in paragraph (u) (v) hereof.

(x) No obligations are offered by this prospectus.

(y) No services have been rendered or are to be rendered to the Company which have been paid for within the two years preceding the date hereof or are to be paid for by securities of the Company.

(z) No amount has been paid within the two years preceding the date hereof or is intended to be paid to any promoter.

(za) No material contracts have been entered into within the two years preceding the date hereof other than contracts entered into in the ordinary course of business.

(zb) No director of the Company had any interest in any property acquired by the Company within the two years preceding the date hereof other than the interest of James P. Maher, President and a director of the Company, in the properties purchased by the Company described in paragraph (u) (v) hereof.

(zc) The Company has been carrying on business for more than three years.

(zd) James P. Maher, 50 Ardworld Gate, Toronto, Ontario, by reason of beneficial ownership of securities of the Company, is in a position to and is entitled to elect or cause to be elected a majority of the directors of the Company.

(ze) No securities of the Company are held in escrow.

(zf) During the five years preceding the date hereof the Company has paid cash dividends of \$101,500 on its non-voting non-cumulative redeemable 5% preference shares with a par value of \$100 each from time to time outstanding and has paid stock dividends of 8,485.91 non-voting non-cumulative redeemable 5% preference shares with a par value of \$100 each and cash dividends of \$100 on its common shares.

(zg) There are no other material facts not disclosed in the foregoing except that the Company sold, as of August 31, 1957, the building in which its head office, warehouse and manufacturing plant are located, situated at 144 Front Street, Toronto, Ontario, to James P. Maher, President and a director of the Company for the price of \$673,729 after making adjustments of \$3,656 to reflect prepaid taxes and insurance. The property was certified by Dominion Appraisal Co., Limited under formal date of September 23, 1957 to have a depreciated value of \$670,073. Under lease made as of October 1, 1957, the Company, as lessee, leased the said building from the said James P. Maher for an initial term of 5 years and 3 months commencing on October 1, 1957 at a monthly rental of \$3,500. The lease provides that the Company may, at its option, renew such lease for two successive periods of five years each at the same rental.

(zh) The foregoing constitutes full, true and plain disclosure of all material facts in respect of the offering of securities referred to above as required by Part IX of The Securities Act, 1955 (Alberta), by Section 39 of The Securities Act, 1954 (Saskatchewan), by Section 39 of The Securities Act (Ontario), by the Quebec Securities Act and by Section 13 of The Security Frauds Prevention Act (New Brunswick), and there is no further material information applicable other than in the financial statements or reports where required or exigible.

May 30, 1958

Directors

(Signed) Wm. Peat

(Signed) J. B. Coutts

(Signed) L. R. Chester

(Signed) D. A. Mason

(Signed) J. P. Maher

(zi) To the best of our knowledge, information and belief, the foregoing constitutes full, true and plain disclosure of all material facts in respect of the offering of securities referred to above as required by Part IX of The Securities Act, 1955 (Alberta), by Section 39 of The Securities Act, 1954 (Saskatchewan), by Section 39 of The Securities Act (Ontario), by the Quebec Securities Act and by Section 13 of The Security Frauds Prevention Act (New Brunswick), and there is no further material information applicable other than in the financial statements or reports where required or exigible. In respect of matters which are not within our knowledge we have relied upon the accuracy and adequacy of the foregoing.

DOMINION SECURITIES CORPN. LIMITED

By: (signed) Peter Jaffray

The following are the names of every person having an interest either directly or indirectly to the extent of not less than 5% in the capital stock of Dominion Securities Corp. Limited: G. E. Phipps, G. P. Rutherford, H. N. Bawden, N. D. Young, J. G. K. Strathy, S. E. Nixon, D. H. Ward, J. R. Clarke, A. I. Matheson and C. E. Jolly.

Outstanding Shares

50,000 Common Shares

Maher Shoes Limited

Prospectus

Price: \$16 per share

May 30, 1958

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